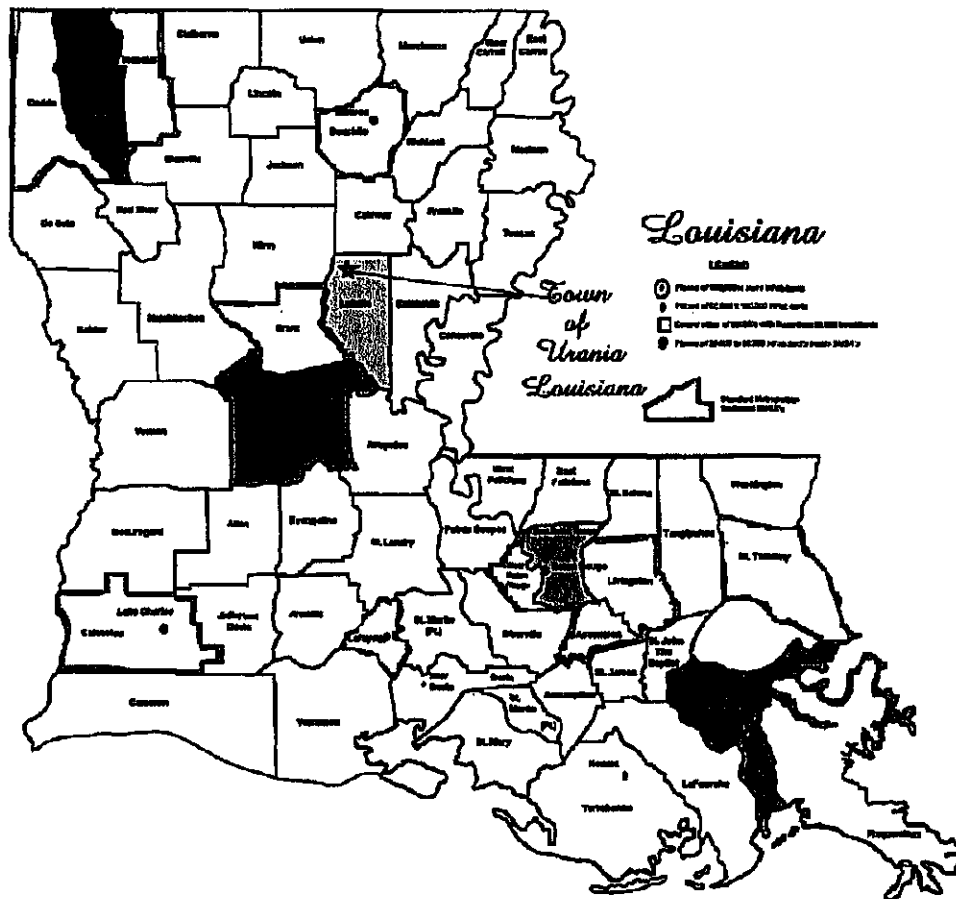


TOWN OF URANIA, LOUISIANA**Annual Financial Statements****JUNE 30, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11-15-06

TOWN OF URANIA, LOUISIANA



✓ The Town of Urania was incorporated under the Lawrason Act, and operates under the Mayor-Board of Alderman form of government. The Town provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with parish, state and federal governing bodies.

TOWN OF URANIA, LOUISIANA
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TOWN OF URANIA

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MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the Town, we offer readers of the Town of Urania's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2006. We encourage readers to consider the information presented here in conjunction with the Town's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999.

FINANCIAL HIGHLIGHTS

Governmental Funds

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$107,751 (*net assets*). This is a \$12,715 decrease from last year.
- The Town had total revenue of \$177,065, in which \$76,348 came from collection of fines and \$68,682 came from fees and charges. This is a \$36,681 decrease from last year's revenues.
- The Town had total expenditures of \$177,366, which is a \$57,495 decrease from last year.

Enterprise Funds

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$2,128,820 (*net assets*). This is a \$56,660 decrease from last year.
- The Town had total revenue of \$209,766, including operating revenues of \$205,995 and non-operating revenues of \$3,771. This is an \$8,303 decrease from last year.
- The Town had total expenses of \$261,428, in which \$229,174 was operating expenses and \$32,254 was non-operating expenses. This is a \$594 decrease from last year.

MD&A

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Town is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the Town adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

USING THIS ANNUAL REPORT

The Town's annual report consists of financial statements that show information about the Town's funds, enterprise funds and governmental funds.

Our accountant has provided assurance in his independent accountant's report, located immediately following this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the accountant regarding the other information included in this report. A user of this report should read the independent accountant's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Reporting the Town's Most Significant Funds

The Town's financial statements provide detailed information about the most significant funds. The Town may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Town's enterprise fund uses the following accounting approach:

All of the Town's services are reported in an enterprise fund. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

MD&A

Comparative Statement of Net Assets Governmental Funds

The following table represents a condensed Comparative Statement of Net Assets as of June 30, 2006:

	2005	2006	% Change
Assets			
Cash & Investments	\$ 31,863	\$ 33,409	5%
Receivables	5,161	5,610	9%
Capital Assets, Net of Accumulated Depreciation	121,986	102,573	16%
Total Assets	<u>159,010</u>	<u>141,592</u>	11%
Liabilities & Net Assets			
Accounts, Salaries, & Other Payables	6,544	3,841	41%
Other Liabilities	-0-	-0-	0%
Bonds & Notes Payable	32,000	30,000	6%
Total Liabilities	<u>38,544</u>	<u>33,841</u>	12%
Net Assets			
Invested in Capital Assets, Net of Related Debt	89,987	72,573	19%
Restricted For Debt Service	13,825	15,473	12%
Unrestricted	16,654	19,705	18%
Total Net Assets	<u>\$ 120,466</u>	<u>\$ 107,751</u>	10%

Comparative Statement of Net Assets Enterprise Funds

The following table represents a condensed Comparative Statement of Net Assets as of June 30, 2006:

	2005	2006	% Change
Assets			
Cash & Investments	\$ 68,518	\$ 68,938	1%
Receivables	16,530	16,689	1%
Restricted Assets	118,597	131,480	11%
Due From Other Funds	2,800	2,800	0%
Capital Assets, Net of Accumulated Depreciation	2,574,949	2,483,541	4%
Total Assets	<u>2,781,394</u>	<u>2,703,448</u>	3%
Liabilities and Net Assets			
Accounts, Salaries, & Other Payables	2,962	1,784	40%
Other Liabilities	36,350	56,225	55%
Bonds & Notes Payable	556,602	516,619	7%
Total Liabilities	<u>595,914</u>	<u>574,628</u>	4%
Net Assets			
Invested in Capital Assets, Net of Related Debt	2,018,347	1,932,189	4%
Restricted For Debt Service	82,247	131,480	60%
Unrestricted	84,886	65,151	23%
Total Net Assets	<u>\$ 2,185,480</u>	<u>\$ 2,128,820</u>	3%

MD&A

Comparative Changes in Fund Balances Governmental Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2006:

	2005	2006	% Change
Beginning Fund Balances	\$ 36,995	\$ 30,479	18%
Total Revenues	213,745	177,065	17%
Total Expenditures	(234,861)	(177,366)	24%
Total Transfers In (Out)	14,600	5,000	66%
Increase (Decrease) in Fund Balances	<u>(6,516)</u>	<u>4,699</u>	172%
Ending Fund Balances	<u>\$ 30,479</u>	<u>\$ 35,178</u>	16%

Comparative Changes in Net Assets Enterprise Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2006:

	2005	2006	% Change
Beginning Net Assets	\$ 2,244,033	\$ 2,185,480	3%
Operating Revenues	216,631	205,995	5%
Non-Operating Revenues	1,438	3,771	162%
Total Revenues	<u>218,069</u>	<u>209,766</u>	4%
Operating Expenses	229,181	229,174	0%
Non-Operating Expenses	32,841	32,254	2%
Total Expenses	<u>262,022</u>	<u>261,428</u>	0%
Transfers In (Out)	<u>(14,600)</u>	<u>(5,000)</u>	66%
Increase (Decrease) in Net Assets	<u>(58,553)</u>	<u>(56,662)</u>	3%
Ending Net Assets	<u>\$ 2,185,480</u>	<u>\$ 2,128,818</u>	3%

MD&A

CAPITAL ASSETS

Capital Assets – Governmental Fund

At June 30, 2006, the Town had \$102,573 invested in capital assets, including equipment.

Capital Assets at Year-End	
Equipment	255,335
Accumulated Depreciation	(152,762)
Total	<u>\$ 102,573</u>

Capital Assets – Enterprise Fund

At June 30, 2006, the Town had \$2,483,541 invested in capital assets, including the sewer system, machinery, and equipment.

Capital Assets at Year-End	
Sewer System	\$ 1,565,599
Water System	2,056,148
Accumulated Depreciation	(1,138,206)
Total	<u>\$ 2,483,541</u>

CONTACTING THE TOWN'S FINANCIAL MANGEMENT:

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the entity's finances and to show that the entity's accountability for the money it receives. If you have questions about this report or need additional information, contact Mayor Terri Corley at the Town Hall, phone number (318) 495-3452.

JOHN R. VERCHER PC
Certified Public Accountant

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Fax: (318) 992-4374

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Terri Corley, Mayor
Town of Urania
PO Box 339
Urania, LA 71480

I have reviewed the accompanying basic financial statements of the governmental activities, the business-type activities of each major fund, and the aggregate remaining fund information of the Town of Urania, Louisiana as of and for the year ended June 30, 2006, which collectively comprise the entity's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Urania, Louisiana's management.

My review was conducted in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. A review consists principally of inquiries of entity personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated September 15, 2006, on the results of my agreed-upon procedures.

The management's discussion and analysis and budgetary comparison information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information.

John R. Vercher PC

Jena, Louisiana
September 15, 2006

MEMBER
—AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS—
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

JOHN R. VERCHER PC

Certified Public Accountant

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INDEPENDENT ACCOUNTANT'S REPORT **ON APPLYING AGREED-UPON PROCEDURES**

Honorable Terri Corley, Mayor
Town of Urania
PO Box 339
Urania, LA 71480

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Town of Urania, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Town of Urania, Louisiana's compliance with certain laws and regulations during the year ended June 30, 2006 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

*During my review of expenditures, I found no such expenditures.

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

* Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

* Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

* None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

* I obtained a copy of the legally adopted budget and all amendments.

6. Trace the budget adoption and amendments to the minute book.

* I traced the budget adoption to the entity's minute book.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

* The entity over spent its budget by \$8,159 or 4.9%. The entity had a favorable revenue variance.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

* I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

* All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

* Inspection of documentation supporting each of the six selected disbursements indicated approvals from the mayor of the entity and proper documentation and correct coding.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

* The entity holds its regularly scheduled meeting on the third Thursday of each month pursuant to the provision of a written notice given to each and every member, thereof, and duly posted in the town hall.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

* I inspected all bank deposit entries in the books for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

* A reading of the minutes of the entity for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I did not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Town of Urania, Louisiana and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

John R. Vercher PC

Jena, Louisiana
September 15, 2006

BASIC FINANCIAL STATEMENTS

TOWN OF URANIA, LOUISIANA
Statement of Net Assets
June 30, 2006

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
ASSETS			
Cash	\$ 4,834	\$ 4,484	\$ 9,318
Investments	28,575	64,454	93,029
Receivables (Net of Allowances For Uncollectable)	5,610	16,689	22,299
Due From Other Funds	-0-	2,800	2,800
Restricted Assets	-0-	131,480	131,480
Capital Assets (Net of Accumulated Depreciation)	102,573	2,483,541	2,586,114
TOTAL ASSETS	<u>141,592</u>	<u>2,703,448</u>	<u>2,845,040</u>
LIABILITIES			
Accounts, Salaries, & Other Payables	3,841	1,784	5,625
Customer Deposits	-0-	21,492	21,492
Accrued Interest	-0-	15,469	15,469
Current Bonds & Notes Payable	2,000	20,719	22,719
Non-Current Bonds & Notes Payable	28,000	515,164	543,164
TOTAL LIABILITIES	<u>33,841</u>	<u>574,628</u>	<u>608,469</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	72,573	1,932,189	2,004,762
Restricted For Debt Service	15,473	131,480	146,953
Unrestricted	19,705	65,151	84,856
TOTAL NET ASSETS	<u>\$ 107,751</u>	<u>\$ 2,128,820</u>	<u>\$ 2,236,571</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2006

	PROGRAM REVENUES			NET REVENUES (EXPENSES) & CHANGES OF PRIMARY GOVERNMENT		
	Expenses	Charges for Services	Operating Grants & Contributions	Net (Expenses) Revenue	Governmental Activities	Business Type Activities
Governmental Activities						
General Government	\$ 193,180	\$ 150,086	\$ 13,210	\$ (29,884)	\$ (29,884)	\$ -0-
Interest on Long-Term Debt	1,600	-0-	-0-	(1,600)	(1,600)	-0-
Total Governmental Activities	<u>194,780</u>	<u>150,086</u>	<u>13,210</u>	<u>(31,484)</u>	<u>(31,484)</u>	<u>-0-</u>
Business Type Activities						
Water & Sewer	261,428	205,995	-0-	(55,433)	-0-	(55,433)
Total Business Type Activities	<u>261,428</u>	<u>205,995</u>	<u>-0-</u>	<u>(55,433)</u>	<u>-0-</u>	<u>(55,433)</u>
Total Primary Government	<u>\$ 456,208</u>	<u>\$ 356,081</u>	<u>\$ 13,210</u>	<u>\$ (86,917)</u>		
General Revenues						
Taxes & Licenses					12,912	-0-
Interest Income					857	3,773
Transfers In (Out)					5,000	(5,000)
Total General Revenues					<u>18,769</u>	<u>(1,227)</u>
Change in Net Assets					(12,715)	(56,660)
Net Assets - Beginning					120,466	2,185,480
Net Assets - Ending					<u>107,751</u>	<u>\$ 2,128,820</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Balance Sheet, Governmental Funds
June 30, 2006

	<u>GENERAL FUND</u>	<u>DEBT SERVICE NON-MAJOR</u>	<u>TOTAL</u>
ASSETS			
Cash	\$ 4,834	\$ -0-	\$ 4,834
Investments	13,102	15,473	28,575
Receivables (Net of Allowances For Uncollectable)	5,610	-0-	5,610
TOTAL ASSETS	<u>23,546</u>	<u>15,473</u>	<u>39,019</u>
LIABILITIES			
Accounts, Salaries, & Other Payables	3,841	-0-	3,841
TOTAL LIABILITIES	<u>3,841</u>	<u>-0-</u>	<u>3,841</u>
FUND BALANCE			
Reserved For Debt Service	-0-	15,473	15,473
Unreserved Reported In General Fund	19,705	-0-	19,705
TOTAL FUND BALANCE	<u>19,705</u>	<u>15,473</u>	<u>35,178</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 23,546</u>	<u>\$ 15,473</u>	<u>\$ 39,019</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Reconciliation of The Government Funds Balance Sheet
to the Government-Wide Financial Statement of Net Assets
June 30, 2006

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balance, Total Governmental Funds (Statement C)	\$ 35,178
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	102,573
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Other	<u>(30,000)</u>
Net Assets of Governmental Activities (Statement A)	<u>\$ 107,751</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Revenues, Expenditures &
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2006

	<u>GENERAL</u>	<u>DEBT SERVICE NON-MAJOR</u>	<u>TOTAL</u>
REVENUES			
Fees & Charges	\$ 68,682	\$ -0-	\$ 68,682
Taxes	7,836	5,076	12,912
Fines	76,348	-0-	76,348
Grants	13,210	-0-	13,210
Interest	857	-0-	857
Other	4,884	172	5,056
TOTAL REVENUES	<u>171,817</u>	<u>5,248</u>	<u>177,065</u>
EXPENDITURES			
General & Administrative	120,153	-0-	120,153
Police Expense	31,054	-0-	31,054
Recreational	6,726	-0-	6,726
Fire	10,496	-0-	10,496
Street & Sanitation	1,292	-0-	1,292
Debt Service	-0-	3,600	3,600
Capital Outlay	4,045	-0-	4,045
TOTAL EXPENDITURES	<u>173,766</u>	<u>3,600</u>	<u>177,366</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,949)</u>	<u>1,648</u>	<u>(301)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	5,000	-0-	5,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,000</u>	<u>-0-</u>	<u>5,000</u>
NET CHANGE IN FUND BALANCE	3,051	1,648	4,699
FUND BALANCES--BEGINNING	16,654	13,825	30,479
FUND BALANCES--ENDING	<u>\$ 19,705</u>	<u>\$ 15,473</u>	<u>\$ 35,178</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Reconciliation of The Statement of Revenues, Expenditures,
& Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2006

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total governmental Funds, Statement E	\$ 4,699
Governmental funds report capital outlays as expenditure. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	4,045
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(23,459)</u>
Changes in Net Assets of Governmental Activities, statement B	\$ <u>(12,715)</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Net Assets, Proprietary Funds
June 30, 2006

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS (MAJOR ENTERPRISE FUNDS) WATER & SEWER FUND</u>
CURRENT ASSETS	
Cash & Cash Equivalents	\$ 4,484
Investments	64,454
Receivables (Net of Allowances For Uncollectable)	16,689
Due From Other Funds	2,800
TOTAL CURRENT ASSETS	<u>88,427</u>
NON-CURRENT ASSETS	
Restricted Assets	131,480
Capital Assets (Net of Accumulated Depreciation)	2,483,541
TOTAL NON-CURRENT ASSETS	<u>2,615,021</u>
TOTAL ASSETS	<u>2,703,448</u>
CURRENT LIABILITIES	
Accounts, Salaries, & Other Payables	1,784
TOTAL CURRENT LIABILITIES	<u>1,784</u>
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	
Customer Deposits	21,492
Accrued Interest	15,469
Current Principle Payable	19,264
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	<u>56,225</u>
NON-CURRENT LIABILITIES	
Revenue Bonds	516,619
TOTAL NON-CURRENT LIABILITIES	<u>516,619</u>
TOTAL LIABILITIES	<u>574,628</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	1,932,189
Restricted For Debt Service	131,480
Unrestricted	65,151
TOTAL NET ASSETS	<u>\$ 2,128,820</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Revenues, Expenses & Changes in Net Assets
Proprietary Funds
June 30, 2006

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS (MAJOR ENTERPRISE FUNDS) WATER & SEWER FUND
OPERATING REVENUES	
Water Sales	\$ 85,898
Sewer Charges	120,097
TOTAL OPERATING REVENUES	<u>205,995</u>
OPERATING EXPENSES	
Administration	137,766
Depreciation	91,408
TOTAL OPERATING EXPENSES	<u>229,174</u>
OPERATING INCOME (LOSS)	<u>(23,179)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest Earnings	3,773
Interest Expense	(32,254)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(28,481)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	(51,660)
Transfers In/(Out)	<u>(5,000)</u>
CHANGE IN NET ASSETS	(56,660)
TOTAL NET ASSETS - BEGINNING	2,185,480
TOTAL NET ASSETS - ENDING	<u>\$ 2,128,820</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Cash Flows
Proprietary Funds
June 30, 2006

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS (MAJOR ENTERPRISE FUNDS) WATER & SEWER FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts From Customers & Users	\$ 207,037
Payments to Suppliers & Employees	(138,944)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>68,093</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to Other Funds	(5,000)
Advances From Other Funds	-0-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(5,000)</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Principal on Capital Debt	(20,719)
Interest Paid on Capital Debt	(32,844)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	<u>(53,563)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments & Restricted Funds	(13,394)
Interest & Dividends Received	3,773
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>9,621</u>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(91)
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	<u>4,575</u>
CASH & CASH EQUIVALENTS, END OF YEAR	<u>4,484</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	(23,179)
Depreciation Expense	91,408
(Increase) Decrease in Accounts Receivable	(159)
Increase (Decrease) in Accounts Payables	(1,178)
Increase (Decrease) Customer Deposits	1,201
TOTAL ADJUSTMENTS	<u>91,272</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 68,093</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Net Assets
Fiduciary Funds
June 30, 2006

		PAYROLL AGENCY FUND
ASSETS		
Cash & Cash Equivalents	\$	<u>2,800</u>
TOTAL ASSETS		<u>2,800</u>
LIABILITIES		
Due to Enterprise Fund		<u>2,800</u>
TOTAL LIABILITIES		<u>2,800</u>
NET ASSETS		
Held in Trust	\$	<u>-0-</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA
Statement of Changes in
Fiduciary Net Assets
June 30, 2006

	<u>PAYROLL AGENCY FUND</u>
ADDITIONS	
Contributions	\$ <u>120,250</u>
TOTAL ADDITIONS	<u>120,250</u>
 DEDUCTIONS	
Payroll & taxes	<u>120,250</u>
TOTAL DEDUCTIONS	<u>120,250</u>
 CHANGE IN NET ASSETS	
 NET ASSETS-BEGINNING	 <u>-0-</u>
NET ASSETS-ENDING	\$ <u>-0-</u>

See accountant's report.
The accompanying notes are an integral part of this statement.

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Urania was incorporated under the provisions of the Lawrason Act. The entity operates under the Mayor-Board of Alderman form of government. The entity provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water, gas and sewer services) and general administrative functions, including coordination of related services with parish, state and federal governing bodies.

The entity applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The accounting and reporting policies of the Town of Urania conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The municipality reports the following major governmental funds:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund

The municipality reports the following major proprietary funds:

- Water and Sewer Fund

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges for services and sales taxes. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

C. FIXED ASSETS & LONG-TERM LIABILITIES

For the year ended June 30, 2006, no interest costs were capitalized for construction of fixed assets.

Depreciation of all exhaustible fixed assets is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet and governmental fund statement of activities. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Life In Years</u>
Water System	40
Sewer System	40
Buildings	40
Equipment	5-10

D. BUDGETS & BUDGETARY ACCOUNTING

The entity follows these procedures in establishing the budgetary data reflected in these financial statements:

- (1) The Town clerk prepares a proposed budget based on departmental group budget requests, and submits the same to the Mayor and Board of Aldermen for approval.
- (2) The entity does not utilize the budget in comparison form in financial statement presentation during the year.
- (3) All budgetary appropriations lapse at the end of the fiscal year.
- (4) The entity does not utilize encumbrance accounting.
- (5) The budget was amended during the year.

E. CASH & INVESTMENTS

All cash and investments (CD's over 90 days) are reported at cost and are on deposit at federally insured banks:

It is the entity's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at fiscal year-end. The categories are described as follows:

- *Category 1* – Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- *Category 2* – Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- *Category 3* – Uncollateralized.

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

<u>Bank</u>	<u>Bank Balance 6-30-2006</u>
Sabine State Bank and Concordia Bank & Trust	\$ <u>238,767</u>

Amounts on deposit at the bank are secured by the following:

<u>Description</u>	<u>Market Value</u>
FDIC (Category 1)	\$ <u>238,767</u>

F. INVENTORIES

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations and, accordingly, these supplies are expensed as purchased.

G. ACCOUNTS RECEIVABLE & BAD DEBTS - GENERAL FUND & ALLOWANCE FOR BAD DEBTS - ENTERPRISE FUND

At June 30, 2006 no reserve for bad debts in the general fund was required since the estimated uncollectable receivables outstanding were considered immaterial.

	<u>Enterprise Fund</u>	<u>Governmental Fund</u>
	<u>Water and Sewer Fund</u>	<u>General Fund</u>
Fees & Charges	\$ -0-	\$ 5,610
Customer	17,567	-0-
Allowance for Bad Debts	(878)	-0-
Total	\$ <u>16,689</u>	\$ <u>5,610</u>

H. COMPENSATED ABSENCES

The entity has no compensated absence policy.

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

I. RESERVES

The entity records reserves to indicate that a portion of its net assets balances are legally restricted for a specific future use. The following is a list of such reserves and a description of each:

Reserved for System Maintenance

This amount represents monies reserved for repairs and replacement of the water system.

Reserved - Revenue Bonds

This amount represents monies reserved as required by the revenue bond indentures.

Reserved for Debt Service

Certain assets have been reserved in the Debt Service Fund for future payment of long-term liabilities of the governmental funds.

(2) AD VALOREM TAXES

The entity levies taxes on real and business personal property located within its boundaries. The entity utilizes the services of the LaSalle Parish Tax Assessor to assess the property values and prepare the entity's property tax roll. The entity bills and collects its own property taxes.

Property Tax Calendar

Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On or About October 15
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	January 1

For the year ended June 30, 2006, taxes of 8.2 mills were levied against property having a valuation of some \$1,628,140 which produced some \$13,352 in revenue.

Ad Valorem Taxes are broken down as follows:

	Mills
Urania Debt Service - General Obligation Bonds	1.625
Urania Sewer District No. 1 - General Obligation Bonds	1.625
General Alimony	4.95
Total	8.2

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

(3) RESTRICTED ASSETS - PROPRIETARY FUND TYPES

At June 30, 2006, restricted assets of the Enterprise Funds were invested in either interest bearing checking accounts or time deposits and were restricted for the following purposes:

	<u>Water</u>	<u>Sewer</u>
Bond Sinking	\$ 21,144	\$ 11,139
Meter Deposit	11,503	-0-
Bond Reserve	18,609	22,807
Depreciation & Contingencies	40,472	5,806
Total	<u>\$ 91,728</u>	<u>\$ 39,752</u>

(4) FIXED ASSETS

PROPERTY ENTERPRISE FUND: PLANT AND EQUIPMENT

A summary of enterprise fund property, plant and equipment at June 30, 2006, is as follows:

	<u>Balance 6-30-2005</u>	<u>Additions (Deletions)</u>	<u>Balance 6-30-2006</u>
<u>Water</u>			
Distribution System	\$ 2,055,784	\$ -0-	\$ 2,055,784
Accumulated Depreciation	(476,458)	(51,724)	(528,182)
Net	<u>1,579,326</u>	<u>(51,724)</u>	<u>1,527,602</u>
<u>Sewer</u>			
Plant	\$ 1,565,599	\$ -0-	\$ 1,565,599
Accumulated Depreciation	(569,975)	(39,684)	(609,660)
Net	<u>995,624</u>	<u>(39,684)</u>	<u>955,939</u>

Enterprise fund assets are depreciated on the straight-line basis using the following useful lives:

Sewer Plant	40 Years
Water Plant	40 Years
Equipment	5-10 Years

GOVERNMENTAL FUND

A summary of governmental fund depreciable assets at June 30, 2006, is as follows:

	<u>Balance 6-30-05</u>	<u>Additions (Deletions)</u>	<u>Balance 6-30-06</u>
Equipment	\$ 251,290	\$ 4,045	\$ 255,335
Accumulated Depreciation	(129,303)	(23,459)	(152,762)
Net	<u>\$ 121,987</u>	<u>\$ 19,414</u>	<u>\$ 102,573</u>

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

Government fund assets are depreciated on the straight-line basis using the following useful lives:

Equipment	5-10 Years
Buildings	40 Years

(5) CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the Town of Urania for the year ended June 30, 2006:

	<u>General Obligation</u>		<u>Revenue</u>		
	<u>Public</u>		<u>Public</u>		
	<u>Improvement</u>	<u>District #1</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
	<u>(Sewer)</u>	<u>Sewer</u>	<u>Utility</u>		
Bonds Payable 06/30/2005	\$ 16,000	\$ 16,000	\$ 450,602	\$ 106,000	\$ 588,602
Principal Retirement	(1,000)	(1,000)	(14,719)	(6,000)	(22,719)
Bonds Payable 06/30/2006	\$ 15,000	\$ 15,000	\$ 435,883	\$ 100,000	\$ 565,883

Notes and bonds payable at June 30, 2006 are comprised of the following individual issues:

General Obligation Bonds Administered by the Debt Service Fund:

Two 1977 issues of \$42,935 each serial bonds due in annual installments of \$1,000, increasing to \$3,000 annually at maturity at September 28, 2016; interest at 5%. \$ 30,000

Revenue bonds administered by the Water and Sewer Enterprise Fund:

\$185,000 water serial bonds due annually in installments of \$2,935, increasing in increments of \$1,000 to \$10,000 annually at maturity at March 1, 2012; interest at 5%. 54,000

\$197,400 sewer serial bonds due annually in installments of \$2,935, increasing in increments of \$1,000 to \$12,935 annually at maturity at September 28, 2016; interest at 5%. 100,000

\$454,000 water serial bonds issued November 14, 1990, 40 year maturity, \$44,000 @ 6% with annual installments of \$2,944 and \$410,000 @ 6.25% with annual installments of \$27,855. 381,883

Total **\$ 565,883**

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

Provision of Revenue Bond Indenture

Under the terms of the bond indenture on outstanding utility bonds, all income and revenues of every nature are pledged and dedicated to the retirement of said bonds and are to be set aside into the following special funds:

- (a) On or before the 20th of each month, there will be set aside into a fund called the "Revenue Bond and Interest Sinking Fund" an amount constituting one-twelfth of the next maturing installment of principal and interest. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.
- (b) On or before the 20th of each month, there shall be set aside into a "Bond Reserve Fund" for the sewer bonds, and amount equal to 5% of the amount not be paid into the sinking fund until \$13,200 has been accumulated. For the water bonds, a sum of 5% of the monthly payment being; made into the sinking fund must be deposited monthly into the "Reserve Fund" until it equals the highest combined annual debt service in any future year on all outstanding bonds. Such amounts may be used only for the payment of maturing bonds in the "Bond and Interest Sinking Fund" and as to which there would otherwise be default.
- (c) Funds will also be set aside into a "Depreciation and Contingency Fund" at the rate of \$68 per month for the sewer bonds and \$588 per month for the water bonds. Money in this fund may be used for the making of extraordinary repairs as replacements to the systems, which are necessary to keep the systems in operating condition, and is not available for maintenance and operating expenses.

Provisions of General Obligation Bond Indenture

These bonds constitute a general obligation of the entity and the full faith and credit of the entity is pledged for the repayment of these bonds. The bonds are secured by a special tax to be imposed and collected annually in excess of all other taxes on all the property subject to taxation within the territorial limits of the entity sufficient to pay the principal and interest.

Annual Requirements to Amortize all Debts

The annual requirements to amortize all debt outstanding as of June 30, 2006, including interest payments of \$458,993 are as follows:

Year Ending June 30,	G.O. Bonds	Sewer Revenue Bonds	Total
2007	\$ 3,400	\$ 63,849	\$ 67,249
2008	3,300	62,699	65,999
2009	3,200	64,549	67,749
2010	3,100	63,249	66,349
2011	3,000	64,949	67,949
2012-2016	20,900	237,495	258,395
2017-2021	-0-	153,995	153,995
2022-2026	-0-	153,995	153,995
2027-2030	-0-	123,196	123,196
Total	\$ 36,900	\$ 987,976	\$ 1,024,876

TOWN OF URANIA, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

(6) ELECTED OFFICIAL'S SALARIES

Name	Title	Term of Office	Annualized Salary	Annual Expense
Terri Corley	Mayor	07/01/05 - 06/30/05	\$ 7,200	\$ 1,440
S. L. Etheridge	Alderman	07/01/05 - 06/30/06	240	-0-
Jay Ivy	Alderman	07/01/05 - 06/30/06	240	-0-
Carl Vickers	Alderman	07/01/05 - 06/30/06	240	-0-
Pat McDougald	Alderman	07/01/05 - 06/30/06	240	-0-
Stacie Strain	Alderman	07/01/05 - 06/30/06	240	-0-
Mickey Lofton	Chief of Police	07/01/05 - 06/30/06	15,000	-0-

(7) DUE FROM (TO) OTHER FUNDS

	Due From Other Funds	Due To Other Funds
Enterprise Fund	\$ 2,800	\$ -0-
Agency Fund	-0-	2,800
Total	\$ 2,800	\$ 2,800

The amounts due are to pay payroll related expenses.

(8) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(9) ENCUMBRANCES

The entity does not utilize encumbrance accounting.

(10) RETIREMENT PLANS

The entity does not offer its employees a retirement plan. All employees are in the social security system.

(11) EXPENDITURES IN EXCESS OF APPROPRIATIONS

The entity overspent its general fund budget by \$8,159 or 4.9% during the year.

TOWN OF URANIA, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

(12) TRANSFERS

Transfers between funds were made for operational purposes.

**REQUIRED SUPPLEMENTAL
INFORMATION**

TOWN OF URANIA, LOUISIANA
Statement of Revenues, Expenditures, & Changes in Fund Balance
Budget & Actual
General Fund
For the Year Ended June 30, 2006

	BUDGET AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Fees & Charges	\$ 65,406	\$ 66,067	\$ 68,682	\$ 2,615
Taxes	9,168	9,398	7,836	(1,562)
Fines	93,644	77,436	76,348	(1,088)
Grants	-0-	-0-	13,210	13,210
Interest	-0-	-0-	857	857
Other	4,136	4,547	4,884	337
TOTAL REVENUES	<u>172,354</u>	<u>157,448</u>	<u>171,817</u>	<u>14,369</u>
EXPENDITURES				
General & Administrative	143,532	140,391	120,153	20,238
Police Expense	11,782	9,239	31,054	(21,815)
Recreational	1,300	7,543	6,726	817
Fire	4,706	7,135	10,496	(3,361)
Street & Sanitation	2,956	1,299	1,292	7
Debt Service	-0-	-0-	-0-	-0-
Capital Outlay	-0-	-0-	4,045	(4,045)
TOTAL EXPENDITURES	<u>\$ 164,276</u>	<u>\$ 165,607</u>	<u>\$ 173,766</u>	<u>\$ (8,159)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			<u>(1,949)</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)			<u>5,000</u>	
TOTAL OTHER FINANCING SOURCES (USES)			<u>5,000</u>	
NET CHANGE IN FUND BALANCE			3,051	
FUND BALANCES--BEGINNING			<u>16,654</u>	
FUND BALANCES--ENDING			<u>\$ 19,705</u>	

See accountant's report.
The accompanying notes are an integral part of this statement.

TOWN OF URANIA, LOUISIANA

MANAGEMENT LETTER COMMENTS

During the course of my audit, I observed conditions and circumstances that may be improved. Below are situations that may be improved (if any) and recommendations for improvements.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

There are no current year management letter comments.

TOWN OF URANIA, LOUISIANA

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Town of Urania, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2005.

PRIOR YEAR FINDINGS

There were no prior year findings.

LOUISIANA ATTESTATION QUESTIONNAIRE

September 11, 2006

JOHN R. VERCHER PC
Certified Public Accountant
P.O. Box 1608
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374

In connection with your review of our financial statements as of June 30, 2006 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of July 30, 2006.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60.

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Signed: _____

Title: _____

Will B. Corley
Mayor